

INSIGHTS

4.0%

May
Unemployment Rate

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S.C. Department of Employment and Workforce

Business Intelligence Department

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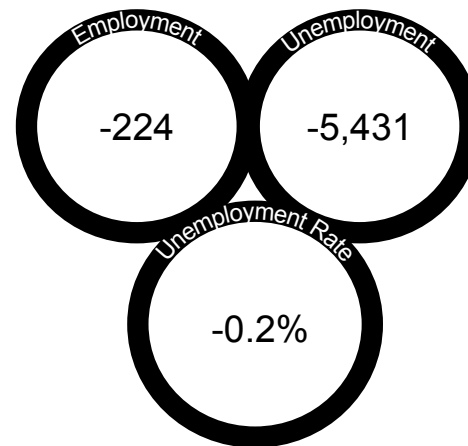
View the [S.C. Employment Situation Report](#)

Unemployment rate declines to 4.0 percent

South Carolina's seasonally adjusted unemployment rate decreased to 4.0 percent from 4.2 percent in April as unemployment fell by 5,431 people to a level of 92,498. The number of individuals working across the state declined slightly by 224 people in May to a level of 2,225,431. The state's labor force fell by 5,655 to 2,317,929.

Since May of 2017, the labor force has grown by 9,202 people, and employment gains totaled 13,845. The level of unemployed declined by 4,643 people.

Nationally, the unemployment rate edged down to 3.8 percent from April's rate of 3.9 percent.

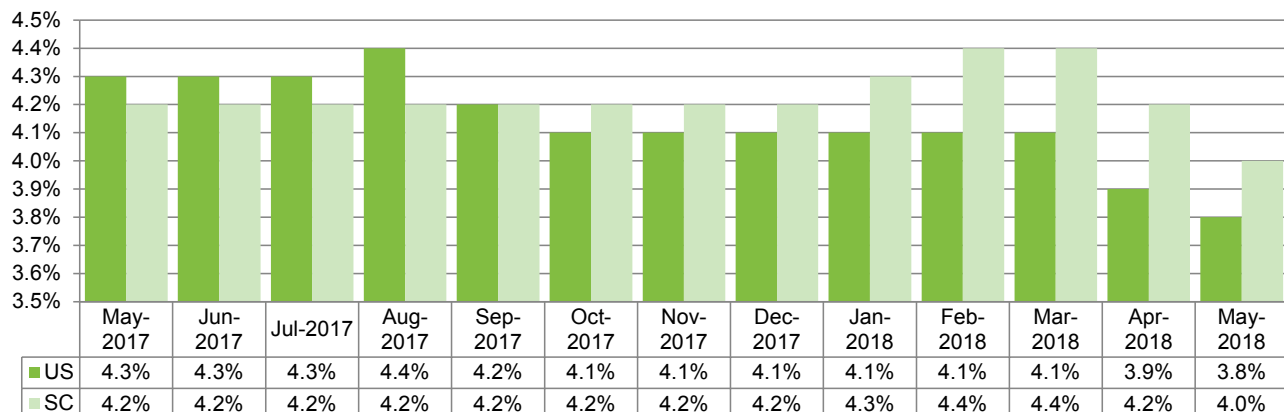


Economic Indicators

May 2018 - Seasonally Adjusted (SA)

	United States	S.C.
Labor Force	161,539,000	2,317,929
Employed	155,474,000	2,225,431
Unemployed	6,065,000	92,498
Unemp. Rate	3.8%	4.0%

South Carolina vs U.S. Unemployment Rate
May 2017 - May 2018



Insights is prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics. The current month's estimates are preliminary, while all previous data are subject to revision. All estimates are projected from a first quarter 2017 benchmark. To subscribe to *Insights*, please email bidcustomerservice@dew.sc.gov or to provide feedback please click on the [BID Customer Feedback Form](#).

U.S., S.C. unemployment rates fall again in May 2018, S.C. rate ranked 25th lowest

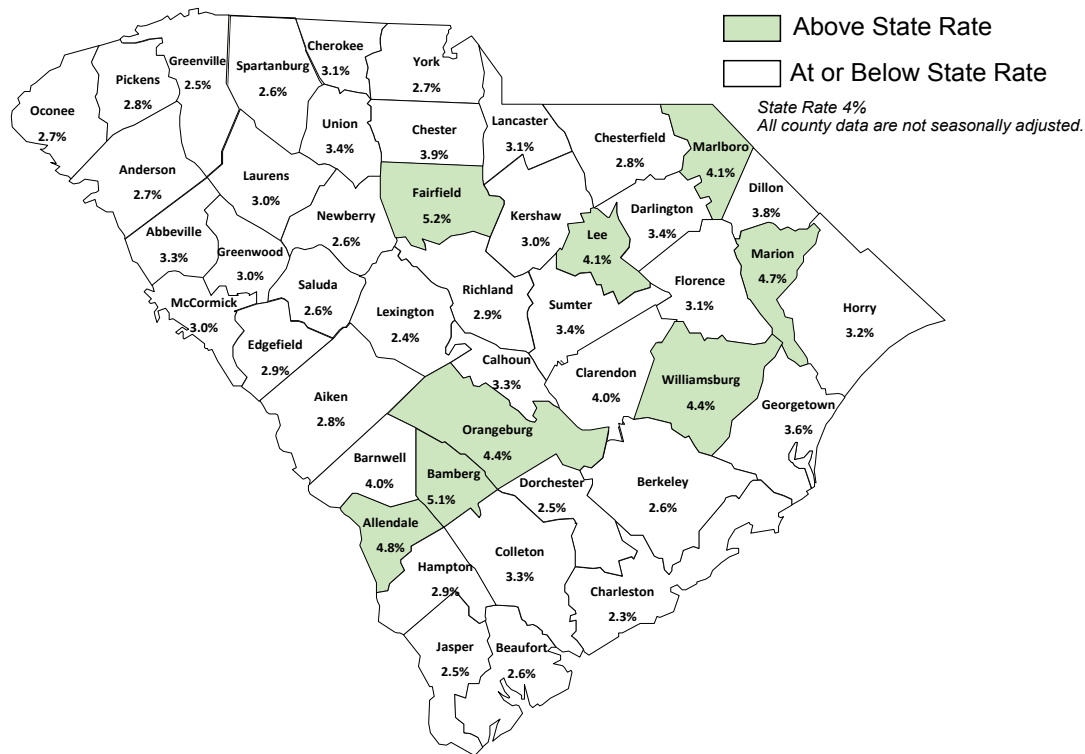
Unemployment rates were lower in May in 14 states and stable in 36 states and the District of Columbia. Eleven states had jobless rate decreases from a year earlier, and 39 states and the District had little or no change. The national unemployment rate edged down from April to 3.8 percent and was 0.5 percentage point lower than in May 2017. South Carolina's unemployment rate fell to 4.0 percent, ranking 25th lowest of 50 states and the District of Columbia.

Seven states had over-the-month increases in nonfarm payroll employment in May. The largest increases occurred in Texas (+34,700), Ohio (+22,600), and North Carolina (+21,600). Thirty-five states had over-the-year increases in nonfarm payroll employment in May. The largest percentage gain occurred in Utah (+3.4 percent), followed by Idaho (+3.1 percent) and Texas and Washington (+2.9 percent each).

May unemployment rates by county

Not seasonally adjusted, county unemployment rate estimates were mixed across the state in May as the not seasonally adjusted, statewide unemployment rate showed no change over the month. Overall, county unemployment rates ranged from 5.2 percent in Fairfield County to 2.3 percent in Charleston County.

Over the year, Aiken (+1,605), Greenville (+1,383), Spartanburg (1,395) and York (+1,740) counties have seen steady employment growth. Lexington (-1,140) and Richland (-1,854) counties have marked declines in employment.



Hawaii	2.0
North Dakota	2.6
Iowa	2.7
New Hampshire	2.7
Colorado	2.8
Maine	2.8
Nebraska	2.8
Vermont	2.8
Wisconsin	2.8
Idaho	2.9
Utah	3.0
Minnesota	3.1
Indiana	3.2
Virginia	3.2
South Dakota	3.3
Kansas	3.4
Massachusetts	3.5
Tennessee	3.5
Missouri	3.6
Wyoming	3.7
Arkansas	3.8
Florida	3.8
United States	3.8
Alabama	3.9
Montana	3.9
Delaware	4.0
Oklahoma	4.0
South Carolina	4.0
Kentucky	4.1
Oregon	4.1
Texas	4.1
California	4.2
Georgia	4.2
Illinois	4.3
Maryland	4.3
North Carolina	4.3
Ohio	4.3
New Jersey	4.4
Rhode Island	4.4
Connecticut	4.5
New York	4.5
Pennsylvania	4.5
Louisiana	4.6
Michigan	4.6
Arizona	4.7
Mississippi	4.7
Washington	4.7
Nevada	4.8
New Mexico	5.1
West Virginia	5.4
District of Columbia	5.6
Alaska	7.2

May 2018

Highest County Unemployment Rates		Lowest County Unemployment Rates	
Fairfield	5.2%	Charleston	2.3%
Bamberg	5.1%	Lexington	2.4%
Allendale	4.8%	Dorchester	2.5%
Marion	4.7%	Greenville	2.5%
Orangeburg	4.4%	Jasper	2.5%

May 2018

Economic Indicators Average Hours & Earnings		
	United States (SA)	S.C. (Unadj.)
Manufacturing		
Avg. Weekly Earnings	\$1,097.52	\$831.29
Avg. Weekly Hours	40.8	43.5
Avg. Hourly Wage	\$26.90	\$19.11

South Carolina nonfarm employment trends for May - seasonally adjusted

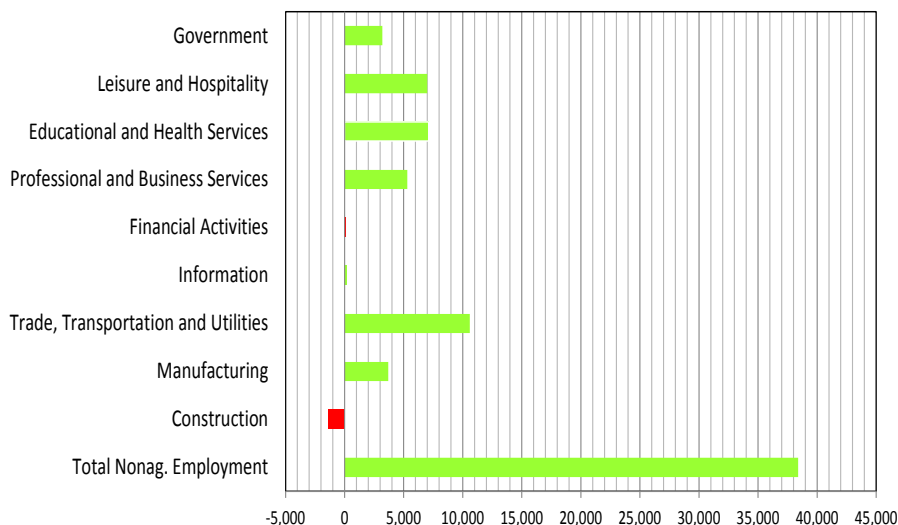
In May 2018 seasonally adjusted, nonfarm payrolls increased by 1,800 over the month to the level of 2,122,300. The consistency in employment was primarily due to growth in Transportation, and Utilities (+2,100); Education and Health Services (+1,000); Financial Activities (+700); Manufacturing (+500) and Government (+100). The industries reporting declines during the same period were Other Services (-1,300); Leisure and Hospitality (-1,000); Professional and Business Services (-200); and Construction (-100). The information sector remained unchanged.

From May 2017 to May 2018, South Carolina's economy added 38,400 seasonally adjusted, nonfarm jobs with noticeable gains in Trade, Transportation, and Utilities (+10,600); Education and Health Services (+7,100); Leisure and Hospitality (+7,000); Professional and Business Services (+5,300); Manufacturing (+3,700); Government (+3,200); Other Services (+2,500); Information (+200) and Financial Activities (+100). The only industry recording a decline during this period was Construction (-1,400).

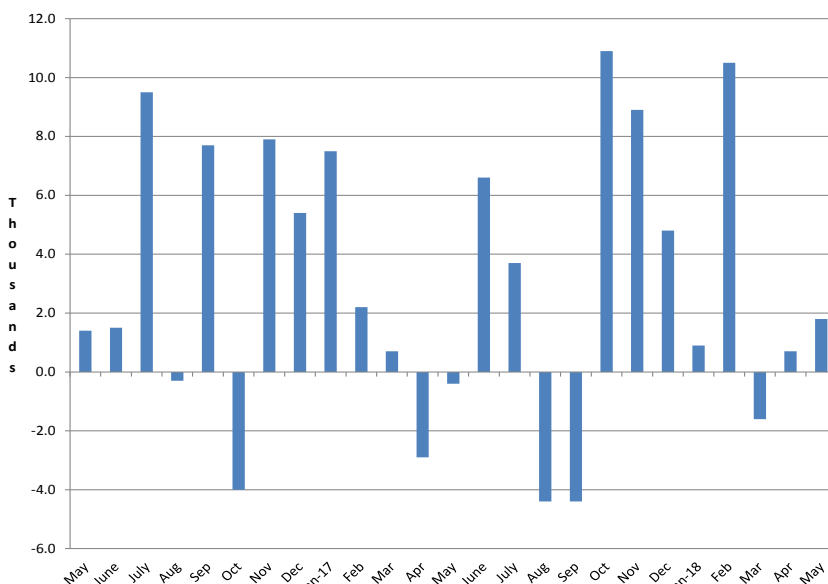
For the Metropolitan Statistical Areas, the seasonally adjusted, total nonfarm payroll's most significant job growth was in Columbia (+1,300) and Sumter (+200). Over-the-month reported decreases were in Greenville (-600); Myrtle Beach (-400); Charleston (-200) and Spartanburg (-200). The employment in Hilton Head Bluffton Beaufort (0) and Florence (0) remained constant over the month.

Over the year, the Metropolitan Statistical Areas saw a surge in seasonally adjusted payroll. Notable employment gains were seen in Greenville (+8,100); Charleston (+4,500) and Spartanburg (+4,000).

**South Carolina Job Changes by Industry
May 2017 - May 2018 (SA)**



**SC Total Nonfarm Jobs
2016 - 2018**



Economic Indicators (May 2018)

Top Job Growth by MSA (SA)

	Over Month % Change	Over Year % Change
Columbia MSA	0.68%	0.30%
Florence MSA	0.56%	1.35%
Charleston MSA	0.53%	0.98%
Greenville MSA	0.33%	2.00%

To see the monthly not seasonally adjusted data series, go to

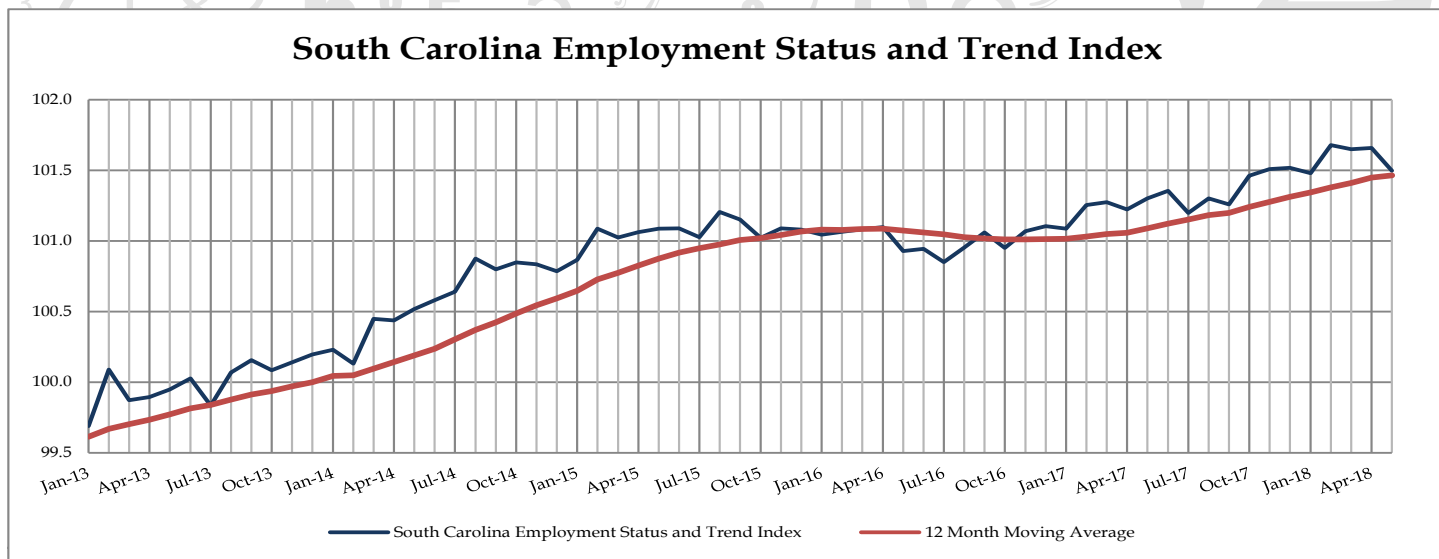
www.SCWorkforceInfo.com

(Employment and Wage Data section)

Employment changes by county
March 2018 through May 2018

County	Employment			Net Change From	
	May 2018	Apr 2018	Mar 2018	Apr '18 - May '18	Mar '18 - Apr '18
Abbeville	9,710	9,696	9,718	14	-22
Aiken	72,687	73,594	72,732	-907	862
Allendale	2,617	2,587	2,573	30	14
Anderson	86,723	86,875	87,041	-152	-166
Bamberg	4,882	4,843	4,829	39	14
Barnwell	7,724	7,721	7,696	3	25
Beaufort	73,269	72,539	71,280	730	1,259
Berkeley	94,935	94,970	95,149	-35	-179
Calhoun	6,506	6,464	6,462	42	2
Charleston	198,712	198,390	198,739	322	-349
Cherokee	23,286	23,313	23,344	-27	-31
Chester	12,975	12,923	12,910	52	13
Chesterfield	21,009	20,873	20,858	136	15
Clarendon	11,904	11,813	11,774	91	39
Colleton	16,374	16,284	16,292	90	-8
Darlington	28,537	28,390	28,443	147	-53
Dillon	12,118	12,018	11,984	100	34
Dorchester	71,627	71,620	71,746	7	-126
Edgefield	10,296	10,366	10,224	-70	142
Fairfield	9,304	9,264	9,271	40	-7
Florence	62,973	62,737	62,968	236	-231
Georgetown	24,774	24,569	24,402	205	167
Greenville	240,326	240,845	241,358	-519	-513
Greenwood	29,692	29,642	29,686	50	-44
Hampton	8,077	7,983	7,896	94	87
Horry	141,026	138,995	135,285	2,031	3,710
Jasper	12,191	12,004	11,807	187	197
Kershaw	27,804	27,689	27,715	115	-26
Lancaster	37,901	37,742	37,723	159	19
Laurens	29,136	29,139	29,176	-3	-37
Lee	6,091	6,056	6,043	35	13
Lexington	142,379	141,928	142,178	451	-250
McCormick	3,276	3,275	3,274	1	1
Marion	11,850	11,765	11,701	85	64
Marlboro	8,822	8,799	8,803	23	-4
Newberry	17,945	17,790	17,733	155	57
Oconee	33,381	33,284	33,306	97	-22
Orangeburg	33,055	32,887	32,880	168	7
Pickens	54,761	54,847	54,967	-86	-120
Richland	190,856	190,700	191,222	156	-522
Saluda	8,594	8,453	8,395	141	58
Spartanburg	141,612	142,236	142,041	-624	195
Sumter	41,881	41,977	41,887	-96	90
Union	11,230	11,273	11,257	-43	16
Williamsburg	11,855	11,798	11,795	57	3
York	130,071	129,640	129,665	431	-25

S. C. Employment Status and Trend Index falls sharply in May 2018



S.C. Employment Status and Trend Index (SCESTI), an aggregate of five labor-market indicators, fell sharply in May 2018 to a level of 101.50 from its April revised value of 101.66. The Index continued above its 12-month moving average, however, which ticked up to 101.46 for the month from 101.45 in April.

Four of the five underlying labor-market components moved in a negative direction in May. The Conference Board's Employment Trends Index fell in May to 107.69 points from an April revised value of 108.00. The Conference Board's Help Wanted Online data, which tracks the number of available job openings posted online, declined by 2,909 in May to 58,279 from 61,188 in April. Initial claims for Unemployment Insurance increased from an April revised average of 2,075 per week to a May average of 2,466 per week. The Bureau of Labor Statistic's Weekly Manufacturing Hours data showed production hours decreasing to a preliminary 43.5 hours per week in May from its revised April level of 43.9. The Conference Board's Consumer Confidence Index rose by 2.4 points from April's revised value of 125.6 to 128.0 in May.

SCESTI is well ahead of its year-ago figure of 101.30 in May of 2017. With the Index remaining above the 12-month moving average, SCESTI indicates a positive employment trend over the next several months, though not as certain as in the past several months.

The unemployment rate: a layman's explanation

As far as public interest is concerned, the unemployment rate is probably the single most important figure generated by the Business Intelligence Department at DEW. As a key indicator of economic well-being, it is followed closely by the news media, academics, business managers and many others.

The unemployment rate has an influence on financial markets and, to some extent, interest rates. Business and community leaders use the rate to make operational decisions. Government officials use the rate as a basis for awarding government procurement contracts and to allocate millions of dollars in job training and economic development funds. Since all states calculate unemployment according to a standard methodology prescribed by the U.S. Bureau of Labor Statistics (BLS), unemployment rates are often used to make comparisons of state economies.

However, the unemployment rate remains as one of the most often misunderstood economic indicators. So, just where does the unemployment rate come from, and what does it mean?

Common Misconceptions

Perhaps the most common misconception about the unemployment rate is that it is based totally on the number of individuals filing Unemployment Insurance (UI) claims. Actually, UI claimants comprise less than 20 percent of the total unemployed in South Carolina. Another misconception is that the monthly unemployment rate represents all unemployed individuals for the entire month. In reality, the jobless rate references a sample of the unemployed during the week that includes the 12th of the month. This is called the standard survey reference week. Also, unemployed individuals are measured where they live, not where they work. This means that a layoff in a particular county can, because of commuting, impact the unemployment rate in a number of counties.

Who is Measured as Unemployed?

The measures of individuals counted as “employed” and “unemployed” are based on definitions determined by BLS. These definitions are based on objective, measurable criteria and are used nationwide. This means that the criteria defining an unemployed person in South Carolina are the same as for an unemployed person in Hawaii or anywhere else in the nation.

To be counted as employed, a person must be 16 years old or older, and worked for pay or profit during the survey week. This includes part-time and temporary work, as well as regular full-time, year-round employment. An individual who works at least one hour during the survey week is counted as employed. To be counted as unemployed, a person must be 16 years old or older and have no job at all during the survey week. However, that person must be able, available and actively looking for work. The sum of the employed and the unemployed comprises the total labor force. The unemployment rate is the ratio of the total unemployed to the total labor force.

Where Do These Numbers Come From?

The U.S. Census Bureau has been designated by BLS to conduct a monthly survey of approximately 60,000 households across the nation. This survey is known as the Current Population Survey (CPS). The CPS, which includes households in every state, is conducted during the week after the standard survey reference week (week of the 12th).

During the survey, Census interviewers determine the employment status for the previous week of all members of the survey households who are 16 years old and over. The basic question posed is “what were you doing last week?” If the individual held a job, they would be classified as employed. If they had no job, but were able, available and actively looking for one, they would be classified as unemployed.

The CPS is designed to yield employment and unemployment statistics each month for the nation as a whole. South Carolina has approximately 1,300 households represented in the CPS. The state’s CPS sample (like the samples of all other states) is too small to generate statistically precise data for the state. To minimize the overall variance, BLS has designed a statistical model for use by all states. This model supplements the results from the household survey with employment data from a monthly survey of businesses in the state, as well as claims data from the state’s Unemployment Insurance program.

How Statistically Valid is the Unemployment Rate?

If you were to take a census of the entire population each month the true unemployment rate would be known. Due to the prohibited costs and time constraints this is not practical. So, a random sample of the population is measured monthly (Current Population Survey). The difference between the true unemployment rate and the CPS is the error associated with the survey measurement process. The actual error in the estimates from the survey cannot be computed. However, the Bureau of Labor Statistics can determine the reliability of the survey measurement process. This is expressed in terms of confidence intervals. An error range can be established in which the true value can be expected to lie within. With a specified degree of confidence a probability can be established that the error ranges contain the true value of the unemployment rate.

For South Carolina the actual unemployment rate in May of 2018 could vary up to a 0.5 percentage points above or below the published rate 90 percent of the time. Ten percent of the time it could be outside the range of +/-0.5 percentage points around the published rate. The unemployment rate is an estimate and therefore always subject to statistical variance/error. The current methodology is the result of decades of research and advancements in modeling techniques.

To maintain the highest level of accuracy possible, BLS conducts research on potential ways to improve the process for developing state and local unemployment statistics. As BLS continues to incorporate enhancements, the methodology will continually evolve and improve over time. The current BLS methodology is the best that is available. For years, the process has yielded data proven to mirror known economic developments and activity in the states.

Analysis of Unemployment Statistics

The unemployment rate is just one of many economic indicators. It is very important that unemployment figures be used in conjunction with other useful labor market statistics in decision-making and in assessing economic trends. The most appropriate use of employment and unemployment data is for trend analysis. Because employment and unemployment statistics are estimates, they are subject to sampling variability in any given month. Consequently, it is best to view these data over time to determine underlying trends in the economy, rather than focusing on the unemployment rate for a particular month.